

**AUTONOMOUS VEHICLE PILOT PROJECT AGREEMENT
BETWEEN
CITY OF LAS VEGAS AND KEOLIS TRANSIT SERVICES LLC**

THIS AUTONOMOUS VEHICLE PILOT PROJECT AGREEMENT is made on this 6th day of November, 2017 (the "Effective Date"), by and between the CITY OF LAS VEGAS, a Nevada municipal corporation and KEOLIS TRANSIT SERVICES LLC, a Delaware limited liability corporation ("Keolis") (this "Agreement"). The City and Keolis are sometimes collectively referred to herein as the "Parties."

RECITALS

WHEREAS, Keolis has procured one or more autonomous, fully electric vehicles from NAVYA, which are commonly known as the ARMA Shuttle (the "Shuttle");

WHEREAS, the Parties previously partnered on an experimental pilot project to operate the Shuttle in the City's Innovation District (as defined in the Resolution Establishing Downtown Las Vegas as an Innovation District for Purposes of Promoting and Adopting New Transportation Infrastructure and Mobility Technologies (R-4-2016) for a ten (10) day period;

WHEREAS, Keolis received approval from the National Highway Traffic Safety Administration ("NHTSA") to import two Shuttles into the United States for research and demonstration purposes and to operate the Shuttles in a designated area of downtown Las Vegas in accordance with the conditions set forth in a letter attached hereto as Exhibit A (the "NHTSA Authorization");

WHEREAS, Keolis desires to operate a Shuttle for one or more research and demonstration purposes in Las Vegas consistent with the NHTSA Authorization (collectively, the "Pilot Project");

WHEREAS, the City has agreed to provide certain technical support for Keolis' Pilot Project; and

NOW, THEREFORE, in consideration of the aforesaid premises, the parties mutually agree as follows:

AGREEMENT

KEOLIS AGREES:

1. to operate the Shuttle on the route described in the map attached hereto as Exhibit B.
2. to inform the City of the hours and days that Keolis intends to perform any Pilot Project, provided, however, that due to the nature of a Pilot Project, the hours and days may change from time to time.
3. to operate the Shuttle in accordance with the requirements of applicable federal and state laws and regulations governing testing and operation of autonomous vehicles.
4. to provide on a monthly basis to the City the following operational data for the Pilot Project: ridership data, miles traveled, kilowatt / hour of energy consumption; hours operated; average speed; any additional non-proprietary data as agreed to by the Parties.
5. to provide an attendant in the Shuttle at all times the Shuttle is in operation.. Keolis shall provide written notice to the City if there is desire to operate the Shuttle without a human attendant present.

Temporary, short term operations without a human attendant within the Shuttle may be approved by City if the requirements of Nevada Revised Statutes Chapter 482A are demonstrated and a safety plan is provided.

6. to release, indemnify, defend, and hold harmless the City, its elected officials, officers, employees, and agents (collectively, "Indemnitees") for, from, and against any and all claims, liabilities, fines, penalties, costs, damages, losses, liens, causes of action, suits, demands, judgments, and expenses, including, without limitation, court costs, reasonable attorney's fees, and costs of investigation (collectively, "Liabilities") of any nature, kind or description directly arising out of, resulting from or related to, in whole or in part:

- A. this Agreement;
- B. any rights or interests granted pursuant to this Agreement;
- C. Keolis' occupation and use of the City Right-of-Way; or
- D. any act or omission of Keolis or Keolis' officers, employees, agents, business invitees and guests, contractors, subcontractors, volunteers, or anyone directly or indirectly employed by any of them, or anyone they control or exercise control over;

The only Liabilities with respect to which Keolis' obligation to indemnify the Indemnitees does not apply are Liabilities to the extent caused by or arising from the negligence or willful misconduct of any Indemnatee. Keolis liability under the Agreement is limited to the indemnification obligation.

Upon written notice from the City, Keolis agrees to assume the defense, with counsel reasonably approved by the City, of any lawsuit or other proceeding brought against any Indemnatee by any entity, relating to any matter covered by this Agreement for which Keolis has an obligation to assume liability for and/or save and hold harmless any Indemnatee. Keolis shall pay all costs incident to such defense, including without limitation, attorney's fees, investigators' fees, litigation, and appeal expenses, settlement payment and amounts paid in satisfaction of judgments.

7. to purchase and continuously maintain in full force and effect for the policy periods specified below the insurance policies specified herein. If any work authorized under this Agreement is performed by a contractor or subcontractor hired by Keolis, then these insurance requirements shall also be met by said contractor or subcontractor. The insurance required hereunder shall not be interpreted to relieve Keolis of any indemnity or obligation under this Agreement. Keolis shall remain fully liable for all deductibles and amounts in excess of the coverage actually realized.

If Keolis utilizes umbrella or excess policies to meet limit requirements, these policies must "follow form" and afford no less coverage than the primary policy. If utilized, Keolis shall waive all rights of recovery and its insurers also waive all rights of subrogation of damages against the City for damages covered by Umbrella or Excess Liability obtained by Keolis as required by City.

A. BUSINESS AUTO LIABILITY INSURANCE. Keolis shall provide and maintain Business Auto Liability Insurance covering the Shuttle. Combined single limits of liability shall not be less than \$5 Million each occurrence. Coverage shall be no less comprehensive than coverage provided by Insurance Service Office ("ISO") form CA 00 01.

B. COMMERCIAL GENERAL LIABILITY INSURANCE. Keolis shall provide and maintain Commercial General Liability Insurance (broad form coverage) insuring against claims for bodily injury, property damage, personal injury and advertising injury that shall be no less comprehensive

than the coverage provided by ISO form for Commercial General (CG 00-01). By its terms or appropriate endorsements such insurance shall include the following coverage: Bodily Injury, Property Damage, Personal Injury, Blanket Contractual, Independent Contractor, Premises Operations, Products and Completed Operations (must be maintained for a minimum of two (2) years following final completion of the Project). The policy cannot be endorsed to exclude the perils of explosion (x), collapse (c) and underground (u) exposures without the approval of the City.

Type of Coverage:	Occurrence Basis
Amount of Coverage:	\$5,000,000 per occurrence; \$10,000,000 annual aggregate
Policy Period:	Annual Policy. Effective for the duration of this Agreement
Name Insured:	Keolis
Additional Insured Parties:	City of Las Vegas (its elected officials, officers, and employees);

C. MISCELLANEOUS.

1). ACCEPTABLE INSURANCE COMPANY. The insurance company providing any of the insurance coverage required herein shall have a Best's Key rating of A VII or higher, (i.e., A VII, A VIII, A IX, A X, etc.) and shall be subject to approval by City. Each insurance company's rating as shown in the latest Best's Key Rating Guide shall be fully disclosed and entered on the required certificate of insurance.

2) PREMIUMS, DEDUCTIBLES AND SELF-INSURED RETENTIONS. Keolis shall be responsible for payment of premiums for all of the insurance coverages required under this Section. Keolis further agrees that for each claim, suit or action made against insurance provided hereunder, with respect to all matters for which Keolis are responsible hereunder, Keolis shall be solely responsible for all deductibles and self-insured retentions.

3). CERTIFICATES OF INSURANCE. Keolis will deliver to the City a certificate of insurance with respect to each required policy to be provided by Keolis hereunder. The required certificates must be signed by the authorized representative of the insurance company shown on the certificate with proof that such person is an authorized representative thereof, and is authorized to bind the named underwriter(s) and their company to the coverage, limits and termination provisions shown thereon. A certified, true and exact copy of each of the project specific insurance policies (including renewal policies) required under hereunder shall be provided to the City if so requested.

4). RENEWAL POLICIES. Keolis shall promptly deliver to the City and each additional insured listed above a certificate of insurance with respect to each renewal policy, as necessary to demonstrate the maintenance of the required insurance coverage for the terms specified herein. Such certificate shall be delivered to City and each additional insured listed above not less than thirty (30) calendar days prior to the expiration date of any policy and bear a notation evidencing payment of the premium thereof.

5). CANCELLATION OR MODIFICATION. The coverage shall not be suspended, voided, canceled or reduced in coverage or in limits except after fourteen (14) calendar days written notice by Keolis in the case of non-payment of premiums, or thirty (30) calendar days written notice in all other cases, has been given to the City and each additional insured listed above and such notice is by certified mail, return receipt requested. This notice requirement does not waive the insurance requirements contained herein.

6). NO RECOURSE. There shall be no recourse against City for the payment of premiums or other amounts with respect to the insurance required from Keolis hereunder.

7). ENDORSEMENTS AND WAIVERS. All insurance policies required hereunder shall contain or be endorsed to contain the following provisions:

i. For claims covered by the insurance specified herein, said insurance coverage shall be primary insurance with respect to the insured, additional insured parties, and their respective members, directors, officers, employees and agents and shall specify that coverage continues notwithstanding the fact that Keolis has ended the Pilot Project. Any insurance or self-insurance beyond that specified in this Agreement that is maintained by an insured, additional insured, or their members, directors, officers, employees, and agents shall be in excess of such insurance and shall not contribute with it.

ii. The insurance shall apply separately to each insured and additional insured party against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

iii. Keolis shall also provide a waiver of subrogation for the General Liability policy. This waiver must be given by endorsement.

D. Workman's compensation insurance pursuant to the requirements of Nevada Revised Statutes Chapters 116A-116D, inclusive.

CITY AGREES:

1. to procure, install, and maintain necessary roadway infrastructure to support the operation of the Shuttle as described in Exhibit C.
2. to provide public relations and marketing assistance for the Pilot Project if requested by Keolis, provided that any press releases, public statements, or marketing materials shall be approved by Keolis before being issued or used by the City, and such approval by Keolis shall not be unreasonably withheld, delayed, or conditioned.
3. to review the proposed Pilot Project hours and route and notify Keolis, as soon as practicable, of any activities, including but not limited to special event(s), detours, roadwork, emergencies that may impact or prohibit operations.
4. to use any Pilot Project operational or other data provided by Keolis solely for the City's planning and analytical purpose. The City may share the data with university partners for planning, analytical, and educational purposes. The City shall not share or otherwise distribute any data marked as confidential or proprietary as marked by Keolis
5. to give Keolis the exclusive right to operate a shared autonomous vehicle pilot project in the City Innovation District during the term of this Agreement. This exclusivity explicitly does not apply to any vehicles of any type operated autonomously by a Transportation Network Company as defined in Nevada Revised Statutes Chapter 706A.

During the term of this Agreement, the City will provide Keolis with notice of and give Keolis the opportunity to collaborate on any autonomous vehicle projects that the City undertakes on its own or

with third parties including with a Transportation Network Company

IT IS MUTUALLY AGREED:

1. The Parties shall work together in good faith to assess the Pilot Project and changes that might be appropriate to accomplish its goals.
2. Each Party shall perform its obligations under this Agreement at its own expense.
3. Keolis may partner with third parties to provide operational, financial, or other support for the Pilot Project. Prior to entering any agreement with any third-party, Keolis shall submit a term sheet or other summary of the proposed agreement between Keolis and any third-party to the City for the City's approval, which shall not unreasonably withheld, delayed, or conditioned. The City's review and approval of any agreement between Keolis and any third-party shall not be withheld, conditioned, or delayed. Any approved third-party may be named as a Pilot Project partner. The City acknowledges and agrees to Keolis' partnership with AAA Northern California, Nevada, Utah in the Shuttle project pilot project commencing November 8, 2017.
4. The City acknowledges and agrees that the Pilot Project is experimental and that Keolis may decide to terminate or modify it at any time, in its sole discretion. Keolis agrees to promptly notify the City of any such decisions.

INTELLECTUAL PROPERTY

1. LICENSE TO MARKS; RESTRICTIONS. The term "Marks" shall mean the trademarks, service marks, trade names, logos, slogans and other identifying symbols and indicia of a party ("Licensor"). Each party hereby grants to the other party ("Licensee"), solely during the Term, a limited, royalty-free, non-exclusive, non-transferable, non-assignable license, without the right to sublicense, to use and display the Licensor's Marks solely for the purpose of the Pilot Project. All use of a Licensor's Marks by Licensee will be in the form and format approved by Licensor, and Licensee will not otherwise use or modify Licensor's Marks without Licensor's prior written consent. All goodwill related to Licensee's use of Licensor's Marks shall inure solely to the benefit of Licensor. Marks will at all times remain the exclusive property of the respective Licensor. Except as expressly set forth herein, Licensor does not, and shall not be deemed to, grant Licensee any license or rights under any intellectual property or other proprietary rights. All rights not granted herein are expressly reserved by Licensor.
2. NO DEVELOPMENT. EACH PARTY ACKNOWLEDGES AND AGREES THAT THERE SHALL BE NO DEVELOPMENT OF TECHNOLOGY, CONTENT, MEDIA OR OTHER INTELLECTUAL PROPERTY BY EITHER PARTY BY THE OTHER PARTY PURSUANT TO THIS Agreement. Any development activities relating to any technology, content, media or other intellectual property must be the subject of a separate written agreement between Keolis and the City prior to the commencement of any such activities.

CONFIDENTIALITY

1. DEFINITION. The term "Confidential Information" shall mean any confidential or proprietary business, technical or financial information or materials of a party ("Disclosing Party") provided to the other party ("Receiving Party") in connection with the Agreement, whether orally or in physical form, and shall include the terms of the Agreement. However, Confidential Information shall not include information (a) previously known by Receiving Party without an obligation of confidentiality, (b)

acquired by Receiving Party from a third party which was not, to Receiving Party's knowledge, under an obligation of confidentiality, (c) that is or becomes publicly available through no fault of Receiving Party, or (d) that Disclosing Party gave written permission to Receiving Party to disclose, but only to the extent of such permitted disclosure.

2. REQUIREMENTS. Except as required by applicable law, each Receiving Party agrees that (a) it will use Confidential Information of Disclosing Party solely for the purpose of the Agreement and (b) it will not disclose the Confidential Information of the Disclosing Party to any third party other than the Receiving Party's employees or agents, on a need-to-know basis, who are bound by obligations of nondisclosure and restricted use at least as strict as those contained herein, provided that Receiving Party remains liable for any breach of the confidentiality provisions of the Agreement by its employees or agents. The Receiving Party will protect the Confidential Information of the Disclosing Party in the same manner that it protects the confidentiality of its own proprietary and confidential information, but in no event using less than a reasonable standard of care. In the event Receiving Party receives a subpoena or other administrative or judicial demand for any Confidential Information of Disclosing Party, Receiving Party will give Disclosing Party prompt written notice of such subpoena or demand and allow Disclosing Party to assert any available defenses to disclosure. Upon request by Disclosing Party, Receiving Party will return or destroy all copies of any Confidential Information of the Disclosing Party. Confidential Information will at all times remain the property of the Disclosing Party. The provisions of this Section will expire three (3) years after the expiration or termination of the Agreement, except with respect to Confidential Information that constitutes "trade secrets" under applicable law for which this Section shall survive indefinitely.

3. NEVADA PUBLIC RECORDS ACT. Keolis acknowledges that the City is a government entity subject to the Nevada Public Records Act ("NPRA") as detailed in Nevada Revised Statutes Chapter 237. In the event the City receives any subpoena, demand, or request under the NPRA or other public records law for any Confidential Information or other data or information received by the City from Keolis, whether received in connection with the Pilot Project or in connection with any other services performed by Keolis, the City will immediately notify Keolis of such subpoena, demand or request and reasonably cooperate with any efforts by Keolis to assert any available defenses to disclosure. In no event shall the City make disclosure of such information before ten (10) business days have elapsed from the date the City notifies Keolis of the subpoena, demand, or request in order to provide Keolis with a reasonable opportunity to seek judicial intervention concerning the potential disclosure of Keolis' Confidential Information and/or trade secret information. If Keolis informs the City in writing of the Keolis' intent to seek a court order barring disclosure, City agrees to withhold the requested information, to the extent permitted by the NPRA, pending court resolution of the matter, or interim order by a court. The City acknowledges that Keolis contends that all trip data and any other reporting provided by Keolis to the City are trade secrets of Keolis is exempt from public disclosure under federal and state public records laws, including the NPRA. However, whenever a requesting party pursues legal action to compel disclosure of Confidential Information or other data or information received by the City from Keolis, Keolis will bear responsibility for all costs of defending such legal action.

MISCELLANEOUS

1. INCORPORATION OF RECITALS AND EXHIBITS. The Recitals and Exhibits attached hereto, if any, are true and correct and are incorporated herein as though fully part of this Agreement.

2. **AUTHORITY; REQUIRED APPROVAL.** The Parties represent and warrant that the person executing this Agreement on behalf of each party has full power and authority to enter into this Agreement and that the parties are authorized by law to perform the services set forth in this Agreement. This Agreement shall not become effective until and unless approved by appropriate action of the party executing this Agreement pursuant to each entity's legal requirements to enter such agreement.
3. **TERM; TERMINATION.** This Agreement shall commence on the Effective Date and shall remain in full force and effect for a period of one (1) year and shall terminate with no further action required by either party. Thereafter, the Agreement may be extended only by a written agreement between the Parties.
4. **LIMITED LIABILITY.** The City will not waive and intend to assert available Nevada Revised Statutes Chapter 41 liability limitations in all cases. Liability of both parties shall not be subject to punitive damages.
5. **ASSIGNMENT.** Neither party shall assign, transfer, or delegate any rights, obligations, or duties under this Agreement without the prior written consent of the other party, provided, however, that Keolis may assign this Agreement to either a wholly owned subsidiary or to a wholly owned subsidiary of its parent company, Keolis America, Inc..
6. **FORCE MAJEURE.** Neither party shall be deemed to be in violation of this Agreement if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of the Agreement after the intervening cause ceases.
7. **SEVERABILITY.** If any provision contained in this Agreement is held to be unenforceable by a court of law or equity, this Agreement shall be construed as if such provision did not exist and the non-enforceability of such provision shall not be held to render any other provision or provisions of this Agreement unenforceable.
8. **INDEPENDENT ENTITIES.** The Parties are associated with each other only for the purposes and to the extent set forth in this Agreement, and in respect to performance of services pursuant to this Agreement, each party is and shall entities separate and distinct from the other party and, subject only to the terms of this Agreement, shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Agreement. Nothing contained in this Agreement shall be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any liability for one party whatsoever with respect to the indebtedness, liabilities, and obligations of the other party or any other party.
9. **WAIVER OF BREACH.** Failure to declare a breach or the actual waiver of any particular breach of the Agreement or its material or nonmaterial terms by either party shall not operate as a waiver by such party of any of its rights or remedies as to any other breach.
10. **NO THIRD PARTY BENEFICIARIES.** This Agreement shall not inure to the benefit of any third party and shall not be deemed to give any right or remedy to any such third party, including any third-parties that partner with Keolis after written consent from the City.
11. **NOTICE.** Any notice required to be given hereunder shall be deemed to have been given when written notice is (i) received by the party to whom it is directed by personal service;; (ii) three (3) days

after deposit with the United States Post Office, by registered or certified mail, postage prepaid and addressed to the party to be notified at the address for such party; (iiiv) one (1) day after deposit with a nationally recognized air courier service such as FedEx; or (iv) by an email sent to the email address of the recipient stated in this Section with evidence of a return receipt. All notices shall be effective upon receipt by the party to which notice is given or if it is delivered by email, when the recipient acknowledges having received that email, with an automatic "read receipt" not constituting acknowledgment of an email for purposes of this Section. Either party hereto may change its address by giving ten (10) days advance notice to the other party as provided herein. Phone numbers are listed for information only.

To City: Attn: Public Works Director
 City of Las Vegas
 David N. Bowers, Director
 Public Works Department
 333 N. Rancho Drive
 Las Vegas, NV 89106

with copy to: Attn: City Attorney
 City of Las Vegas
 495 South Main Street
 Las Vegas, NV 89101

To Keolis: Attn: General Manager
 Keolis Transit Services LLC
 5165 West Sunset Road
 Las Vegas, NV 89228

With a copy to: Attn: General Counsel
 Keolis Transit America, Inc.
 6053 W. Century Blvd., Suite 900
 Los Angeles, CA 90045

12. GOVERNING LAW; JURISDICTION. This Agreement and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of Nevada. The Parties consent to the jurisdiction of the Nevada district courts for enforcement of this Agreement.

13. ENTIRE AGREEMENT AND MODIFICATION. This Agreement and its integrated attachment(s) constitute the entire agreement of the parties and such are intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Unless an integrated attachment to this Agreement specifically displays a mutual intent to amend a particular part of this Agreement, general conflicts in language between any such attachment and this Agreement shall be construed consistent with the terms of this Agreement. Unless otherwise expressly authorized by the terms of this Agreement, no modification or amendment to this Agreement shall be binding upon the Parties unless the same is in writing and signed by the Parties.

14. COUNTERPARTS AND ELECTRONIC SIGNATURES. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose

signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the Parties reflected hereon as the signatories. Documents executed and faxed or scanned and transmitted electronically shall be deemed original signatures for purposes of this Agreement and all matters related thereto, with such faxed or scanned signatures having the same legal effect as original signatures.

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AUTONOMOUS VEHICLE PILOT PROJECT AGREEMENT

Signature page

IN WITNESS WHEREOF the Parties have caused this Agreement to be effective on the date first written above

CITY OF LAS VEGAS

By: Scott D. Adams For
Scott D. Adams
City Manager

Approved as to Form: John S. Ridilla
Deputy City Attorney

By: John S. Ridilla 11/6/17
Deputy City Attorney Date

Date of Execution by City: 11/6/17

KEOLIS TRANSIT SERVICES, LLC.

By: _____

Name: _____

Title: _____

Date of Execution by Keolis: _____

AUTONOMOUS VEHICLE PILOT PROJECT AGREEMENT

Signature page

IN WITNESS WHEREOF the Parties have caused this Agreement to be effective on the date first written above

CITY OF LAS VEGAS

By: _____

Scott D. Adams
City Manager

Approved as to Form:

By: _____

Deputy City Attorney

Date

Date of Execution by City: _____

KEOLIS TRANSIT SERVICES, LLC.

By:  _____

Name: Stephen W. Shaw

Title: President and Chief Executive Officer

Date of Execution by Keolis: 11/02/2017

EXHIBIT A

NHTSA CERTIFICATE



U.S. Department
of Transportation
**National Highway
Traffic Safety
Administration**

1200 New Jersey Avenue, SE
Washington, DC 20590

Box 7
AP-1708-025
PM-07-1708-0305

September 18, 2017

Mr. Yves D. Gagnon
Propulsion + LLC
197 de l'Oiselet St.
St-Colomban, QC, J5K 0C1

Francis Julien
Keolis Transit America Inc.
6053 W. Century Blvd., Suite 900
Los Angeles, CA 90045

Dear Messrs. Gagnon and Julien:

This is in response to the request of Keolis Transit America Inc. (Keolis) for permission to import the vehicles identified below for research and demonstration purposes:

2017 NAVYA ARMA Driverless Shuttle Vehicles
VINs: VG9A2CB2CHB019031 and VG9A2CB2CHB019032

This letter revises and replaces a letter on the same subject dated September 15, 2017. The revisions change the duration of the pilot testing program in which the vehicles will be engaged, better define the area in which the pilot testing program will be conducted, and note that the area will not be closed to public traffic.

In your application to import the subject vehicles, you described the NAVYA Arma as an electric-powered fully autonomous vehicle that can accommodate up to 15 passengers and that has an operating speed of approximately 15 miles per hour (mph) and a maximum speed capability of approximately 27 mph. You stated that these vehicles would be used in a pilot testing program to be conducted from October 16, 2017 through October 14, 2018 on the streets of Las Vegas, Nevada. The program will be conducted within a three-block area bounded by Fremont Street, North Las Vegas Boulevard, East Carson Avenue, and North 8th Street, which will not be closed to public traffic. Members of the public would be allowed to board and ride on the vehicles during the pilot testing program.



<http://www.nhtsa.dot.gov>

The purpose of the program is to ensure the full integration of the driverless shuttle into the city traffic grid and related IT infrastructure. Objectives would include traffic light and sign recognition, coordination of road openings in response to emergency vehicles circulating in the area, and the sharing of traffic data to enhance the efficiency of vehicular and pedestrian traffic. The program will allow the City to gather a robust estimate of user demand and ridership for this mode of transportation, and permit the operator to gain a fuller understanding of pedestrian behavior to assist in the development of a larger scale deployment, while presenting the technology in a favorable light to the public. You note that riders would not only benefit from a system that increases their ability to transit across an area, but also from their ability to do so with an increased degree of predictability.

You state that drivers who have been trained in all aspects of the vehicles' operation, including potential safety concerns, will be in the vehicles whenever they are being operated. The drivers will be located in a position where they can take control of the vehicles if needed. The vehicles are fully equipped for such use in a manual mode. In addition, there are emergency stop buttons in the passenger compartment that allow anyone on board the vehicles to bring them to a complete stop.

Keolis has obtained autonomous vehicle testing permits for each of the vehicles from the State of Nevada Department of Motor Vehicles. The permits authorize the vehicles' use only in urban environments, but not on interstate or State highways, or in residential areas. As a condition for obtaining the permits, Keolis secured automobile liability insurance with a combined single limit of \$5,000,000 for each occurrence and excess liability insurance in the amount of \$10,000,000 for each occurrence.

In an e-mail message dated August 29, 2017, you stated that one of the vehicles Keolis wishes to import (VIN VG9A2CB2CHB019032) is scheduled to be delivered to the APTA Expo in Atlanta, Georgia and will be demonstrated at this trade show from October 8, 2017 until October 11, 2017, after which the vehicle will be shipped to the Las Vegas pilot site. This vehicle will be operating inside the Georgia World Congress Center in a dedicated space of 18,000 sq. ft. in Hall B1 with a full-time operator on board during the demonstration. You stated that the vehicle demonstration will not be conducted on any public roads.

Based on the information you provided, as detailed above, we have no objection to your request, and will permit entry of the vehicles under Box 7 on the HS-7 Declaration form, subject to the conditions specified below. Please note that these conditions are typical of those we identify for vehicles that employ novel technologies that are imported for testing purposes that could involve operation on public roads or use by the general public.

1. The grant of permission in this letter applies only to the vehicles identified in the opening paragraph (VIN VG9A2CB2CHB019031 and VG9A2CB2CHB019032), hereinafter referred to as "the subject vehicles." If Keolis seeks to import any additional nonconforming vehicles for research or demonstration purposes, regardless of whether they are the same model as the subject vehicles, it will need to separately request NHTSA's permission to import those vehicles, and to obtain NHTSA's permission before the vehicles are imported.

2. Entry of the subject vehicles must be in compliance with all U.S. Customs and Border Protection (Customs) requirements. A copy of this NHTSA permission letter should be attached to the completed HS-7 Declaration Form and submitted to Customs.
3. Keolis complies in full with all requirements of the States of Georgia and Nevada, the Cities of Atlanta and Las Vegas, and any other jurisdiction in which the vehicles are operated.
4. The grant of permission for on-road use provided in this letter applies only to the October 16, 2017 through October 14, 2018 pilot testing program in Las Vegas, Nevada described above. Keolis must notify NHTSA before it operates the vehicles under any conditions other than those specified in this letter. The notification should be submitted to me at the email address provided at the end of this letter, be sent at least three weeks before the new conditions are to take effect, and provide full particulars on those conditions.
5. A label must be affixed to the interior and exterior of each of the vehicles, formatted in a manner and placed in a location where its contents can be easily read, warning prospective and actual occupants that the vehicle does not comply with all applicable Federal motor vehicle safety standards.
6. If either of the vehicles is involved in a crash or other incident, including near misses and difficult edge cases that the system could not handle without further modification, Keolis notifies NHTSA within 24 hours of the event and provides NHTSA with a full description of the occurrence and, when applicable, with copies of all crash/accident report(s) concerning the occurrence prepared by State or local law enforcement authorities when those reports become available. Notification should be sent to me at the telephone number and e-mail address provided below.
7. Keolis provides NHTSA with documentary proof that the subject vehicles have been exported or destroyed not later than thirty (30) days following the end of the period for which they have been admitted to the United States.
8. Keolis submits an annual report to NHTSA on the status of all vehicles imported for use in the autonomous vehicle research and demonstration program. The first report should be submitted one year after the date of entry for the first vehicle imported for that purpose. Subsequent reports should be submitted on that anniversary date for each year that the vehicles remain in this country. The report should identify, by vehicle identification number (VIN), all vehicles that remain in the United States. The report should identify all vehicles removed from service, the reason(s) for their removal, and their disposition. The reports should be submitted to my attention at the address indicated in the letterhead.

This temporary importation is valid for a period not to exceed one (1) year. If additional time is required, a request for an extension must be submitted in writing, along with a copy of the prior approval letter, no later than thirty (30) business days before the expiration date. It is the importer's responsibility to ensure that all Box 7 approvals are current with NHTSA. Any violation of a term or condition imposed by NHTSA in its letter authorizing importation shall be considered a violation of 49 U.S.C. § 30112(a) for which a civil penalty may be imposed and such a violation will also act to void the authorization and require exportation of the vehicles.

Thank you for your patience and cooperation in furnishing us with the information we needed to take action on your request. If you need any further information, feel free to contact me by telephone at 202-366-3151 or by e-mail at coleman.sachs@dot.gov.

Sincerely,

A handwritten signature in black ink, reading "Coleman R. Sachs". The signature is written in a cursive, flowing style with a large, prominent "C" and "S".

Coleman R. Sachs, Chief,
Import and Certification Division
Office of Vehicle Safety Compliance

EXHIBIT B

PILOT PROJECT ROUTE

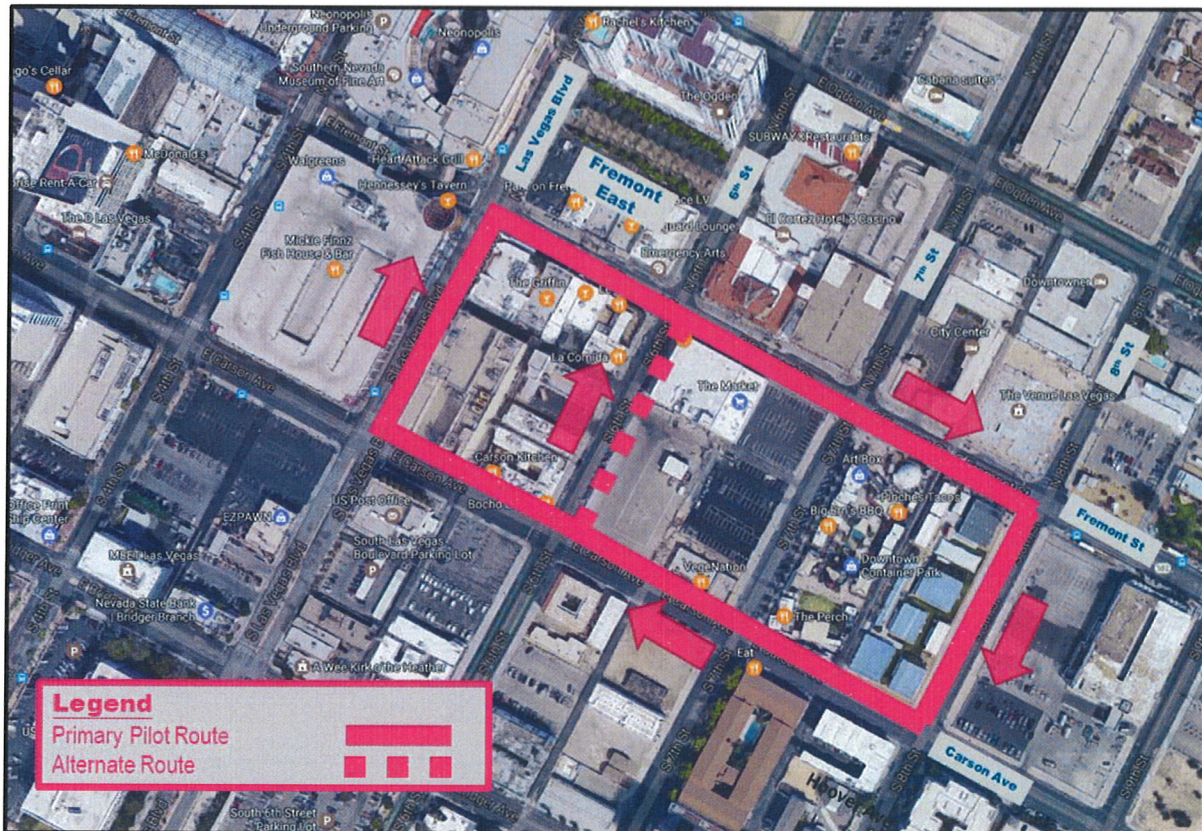


EXHIBIT C

ROADWAY AND INFRASTRUCTURE

The City of Las Vegas has installed radios on the traffic lights identified below. Such radios are operational and it is the City's responsibility to ensure that such radios are maintained and are fully operational during the term of any active Pilot Project.

Traffic Light Locations:

Las Vegas Blvd. and Fremont

Fremont and 6th Street

Fremont and 7th Street

Fremont and 8th Street

Carson Street and 7th Street

Carson Street and Las Vegas Blvd

The City will ensure that the roadway identified in Exhibit B as the map for the initial Pilot Project will be kept in good condition, and to the extent there is any damage to it that might affect operation of the Shuttle, upon notice by Keolis, the City will promptly remedy it.

The City will ensure that Keolis has all necessary access to the roadway and related infrastructure that it reasonably requests in order to map any route that will be utilized in a Pilot Project.